

State Dept. review completed

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DEPARTMENT OF STATE TELEGRAM

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HCN415

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ACTION SS-25

INFO OCT-01 (CIAE-00,) W

006118

P 141748Z OCT 71

FM AMEMBASSY SANTO DOMINGO

TO SECSTATE WASHDC PRIORITY 4401

S E C R E T SECTION 1 OF 2 SANTO DOMINGO 4020

EXDIS

SUBJECT: BALAGUER SPEAKS FRANKLY AND IN CONFIDENCE

1. I ACCOMPANIED PAT HOLT, CONSULTANT TO THE U.S. SENATE FOREIGN RELATIONS COMMITTEE, ON WEDNESDAY EVENING, OCTOBER 13, WHEN, AT HIS REQUEST, HE CALLED ON PRESIDENT BALAGUER. WE USED THE BACK ENTRANCE OF THE NATIONAL PALACE, AS SUGGESTED BY BALAGUER, IN ORDER TO AVOID THE PRESS.

2. HOLT EXPLAINED TO BALAGUER AT THE OUTSET THAT HIS PRESENT JOURNEY TO GUATEMALA, THE DOMINICAN REPUBLIC AND HAITI WAS A NORMAL, PERIODIC VISIT OF FAMILIARIZATION SUCH AS HE MAKES FROM TIME TO TIME FOR THE COMMITTEE AND WAS IN NO SENSE AN INVESTIGATION INFO THE INTERNAL AFFAIRS OF THE COUNTRIES HE WAS VISITING, AS WAS BEING INSISTENTLY SUGGESTED IN THE CASE OF THE DOMINICAN REPUBLIC BY THE DOMINICAN PRESS. HOLT UNDERLINED THAT SUCH AN "INVESTIGATION" WAS NONE OF HIS BUSINESS. NEVERTHELESS, HE WENT ON, HE WAS INTERESTED IN INFORMING HIMSELF CONCERNING CONDITIONS HERE AND WAS IN TOUCH WITH PEOPLE OF ALL TENDENCIES, BOTH INSIDE AND OUT OF THE GOVERNMENT. HE WOULD WELCOME ANYTHING THE PRESIDENT MIGHT WISH TO TELL HIM IN CONFIDENCE REGARDING THE CURRENT SITUATION IN THE DOMINICAN REPUBLIC.

3. BALAGUER SAID THE MAIN PROBLEM IN THE DOMINICAN REPUBLIC AT THE PRESENT TIME IS UNEMPLOYMENT. IN RESPONSE TO HOLT'S QUESTIONS, HE ESTIMATED THERE ARE APPROXIMATELY 300,000 UNEMPLOYED IN THE DOMINICAN REPUBLIC TODAY, AMOUNTING TO 28 TO 30 PER CENT OF THE TOTAL WORK FORCE. THE PROBLEM IS PARTICULARLY ACUTE IN THE CITIES, TO WHICH MANY PEASANTS FROM THE COUNTRYSIDE, LACKING ADEQUATE EMPLOYMENT HAVE MIGRATED.

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EARN THEIR LIVING IN ANY WAY THEY CAN. THERE HAS BEEN A GREAT
INCREASE IN CRIME AND IN PROSTITUTION. URBAN UNEMPLOYMENT HAS
ALSO LED TO AGITATION AND UNREST.

4. BALAGUER POINTED OUT THAT SINCE HOLT'S LAST VISIT TO SANTO

DOMINGO IN 1966 THERE HAS BEEN A VERY MARKED AND WIDESPREAD
ECONOMIC DEVELOPMENT OF THE COUNTRY. HE WAS GRATEFUL FOR THE
RECENT ACTION OF THE U.S. CONGRESS IN ACCORDING TO THE DOMINICAN
REPUBLIC AN ADEQUATE QUOTA IN THE NEW SUGAR LEGISLATION. THIS WAS
FUNDAMENTAL FOR THE DEVELOPMENT AND STABILITY OF THE DOMINICAN
REPUBLIC. THERE ARE IMPORTANT FOREIGN INVESTMENTS, SUCH AS THE
FALCONBRIDGE PROJECT AND THE NEW SHELL REFINERY. BUT, WITH ALL
OF THIS, THE ECONOMIC DEVELOPMENT IN THE COUNTRY HAS BEEN
INSUFFICIENT TO COPE WITH THE PROBLEM OF UNEMPLOYMENT.

5. IN THE YEARS SINCE 1966, BALAGUER CONTINUED, THERE HAS BEEN
SOME VIOLENCE IN THE COUNTRY ON OCCASION. THERE HAVE BEEN ISOLATED
INSTANCES OF MURDERS OR DISAPPEARANCES, MANY OF WHICH HAVE STEMMED
FROM THE TENSIONS LEFT FROM THE 1965 REVOLUTION. IN THE LAST TWO
OR THREE MONTHS, BALAGUER SAID, A VERY DELICATE AND DANGEROUS
SITUATION HAS ARISEN. THIS IS BASED ON THE SHARPLY INCREASED
RIVALRY WITHIN THE ACTIVE MILITARY FORCES BETWEEN TWO OF ITS
LEADERS. THERE IS A MILITARY OFFICER ON ACTIVE DUTY WHO HAS
AMASSED CONSIDERABLE MILITARY AND POLITICAL POWER. HE AND THE
GROUP AROUND HIM HAVE ALSO ENRICHED THEMSELVES ECONOMICALLY.

6. THE PRESIDENT SAID HE BELIEVES THE RECENT BRUTAL MURDER OF
FIVE YOUTHS WAS NOT THE WORK OF LA BANDA, AS SUGGESTED IN THE
PRESS, BUT OF A GROUP OF MILITARY OFFICERS SEEKING TO DISCREDIT
GENERAL PEREZ Y PEREZ, CHIEF OF THE NATIONAL POLICE. LA BANDA HAD
BEEN LARGELY MADE UP OF FORMER MPD MEMBERS AND OTHER LEFTISTS.
GENERAL PEREZ Y PEREZ HAD MADE AN ERROR TO HAVE ANYTHING TO DO
WITH THIS GROUP. BUT THE PRESIDENT DID NOT BELIEVE THAT FORMER
MEMBERS OF LA BANDA HAD THE WEAPONS, ORGANIZATION, OR LOGISTIC
MEANS REQUIRED TO CARRY OUT THE RECENT MURDERS OF THE FIVE YOUTHS
AND LEAVE THEIR BODIES DISTRIBUTED IN THE STREETS THROUGHOUT
THE CITY.

7. THE RECENT MURDERS HAVE RAISED PUBLIC ANXIETY AND TENSION TO
SUCH A POINT THERE MUST BE AN ESCAPE VALVE. THE PRESIDENT HAS,
HEREFORE, DECIDED TO REPLACE GENERAL PEREZ Y PEREZ AS CHIEF OF

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POLICE. THIS DECISION WAS NOT YET KNOWN BUT THE PRESIDENT FELT
HE HAD NO ALTERNATIVE.

8. IN RESPONSE TO HOLT'S QUESTION AS TO THE CAUSE FOR THE RIVALRY BETWEEN THE MILITARY LEADERS, BALAGUER SAID EVERY DOMINICAN WANTS TO BE PRESIDENT. THE RIVALRY WAS BASED ON AMBITION, INCLUDING POLITICAL AMBITION. HE DOES NOT BELIEVE THE MILITARY GROUP OPPOSING PEREZ Y PEREZ IS PLANNING A GOLPE DE ESTADO. THERE ARE STILL TOO MANY DIVISIONS AMONG THE MILITARY. IN RESPONSE TO A QUESTION AS TO HOW HE PLANNED TO DEAL WITH THIS GROUP, HE SAID THE PROBLEM IS EXTREMELY DELICATE. HE MUST PROCEED WITH GREAT CARE LEST THIS GROUP, FEELING THREATENED, WOULD PRECIPITATE A GOLPE. MOVING AS QUIETLY AND AS BEST HE MIGHT, HE WAS SLOWLY ATTEMPTING TO REDRESS THE BALANCE. THE PRESIDENT SAID HE WAS GRATEFUL FOR THE TECHNICAL ADVICE AND ASSISTANCE OF MAAG, INCLUDING MAAG'S SUGGESTIONS THAT MILITARY UNITS BE STATIONED IN BARAHONA AND CONSTANZA. HE HAD ALSO PLACED COL. CUERVO GOMEZ, COMMANDER OF THE COMBAT SUPPORT COMMAND, ON THE ISABELA RIVER, CLOSER TO THE CAPITAL. TO HAVE PLACED HIM IN THE VICINITY OF THE OTHER MILITARY LEADER WOULD HAVE BEEN VERY DANGEROUS SINCE CUERVO GOMEZ WOULD HAVE FALLEN WITHIN THE SPHERE OF THE OTHER LEADER'S INFLUENCE. THE PRESIDENT ASSURED HOLT THAT THE U.S. MAAG HAD LIMITED ITSELF AT ALL TIMES TO ITS PROPER ROLE OF TECHNICAL ASSISTANCE. HE SAID HE WAS PREPARED TO "SWEAR ON THE BIBLE" THAT AT NO TIME HAD THE MAAG INTERFERED IN INTERNAL AFFAIRS.

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ACTION SS-25

INFO OCT-01 CIAE-00, (CIAE-00,) W

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P 141748Z OCT 71

FM AMEMBASSY SANTO DOMINGO

TO SECSTATE WASHDC PRIORITY 4402

S E C R E T SECTION 2 OF 2 SANTO DOMINGO 4020

EXDIS

SUBJECT: BALAGUER SPEAKS FRANKLY AND IN CONFIDENCE

9. BALAGUER SAID THAT BOSCH'S PARTY, THE PRD, IS A VERY IMPORTANT POLITICAL ELEMENT WITHIN THE COUNTRY. HIS OWN PERSONAL RELATIONS WITH BOSCH ARE GOOD AND BASED ON MUTUAL RESPECT. HE FELT BOSCH HAD MADE A GREAT ERROR, HOWEVER, IN ADVANCING THE THESIS OF DICTATORSHIP WITH POPULAR SUPPORT. THROUGH THIS THESIS HE HAD COMMITTED THE PRD TO SEEKING POWER BY FORCE AND IMPOSING A DICTATORSHIP ON THE PEOPLE BY FORCE. THIS DICTATORSHIP WOULD BE COMMUNIST SOONER OR LATER, SINCE THE PRD HAD BEEN INFILTRATED BY COMMUNISTS. THE MAJORITY OF THE DOMINICANS ARE AGAINST COMMUNISM, AND THE IMPOSITION OF SUCH A DICTATORSHIP ON THEM WOULD BE A BETRAYAL OF THEIR DESIRES. HE REGRETTED THAT BOSCH WOULD NOT PARTICIPATE IN THE DEMOCRATIC PROCESS WHEREBY HIS PARTY COULD CONCEIVABLY ALTERNATE IN POWER, SUCH AS WAS THE SYSTEM IN COLOMBIA. THE PRESIDENT SAID THAT, LITTLE BY LITTLE, HE WAS ATTEMPTING TO BRING THE DOMINICANS TO A POSITION WHERE THEY COULD EXERCISE AND PARTICIPATE IN TRULY REPRESENTATIVE DEMOCRATIC GOVERNMENT, FOR WHICH THEY WERE YET POORLY PREPARED AND IN WHICH THEY HAD NO TRADITION OR DEEP EXPERIENCE. HE POINTED TO THE FREE PRESS WHICH EXISTS IN THIS COUNTRY AND TO HIS CONTINUING EFFORTS TO IMPROVE EDUCATION.

10. ONE OF THE GREAT PROBLEMS IN ASSURING HUMAN RIGHTS AND THE RESPECT FOR LAW IS THE VENALITY AND CORRUPTION OF THE DOMINICAN COURTS, BALAGUER SAID. THE SUPREME COURT IS AN ADMIRABLE, RESPECTED BODY. THE REST OF THE JUDICIAL SYSTEM, HOWEVER, IS IN DEPLORABLE STATE. THE JUDGES ARE APPOINTED BY THE CONGRESS AND ARE SUBJECT TO INTIMIDATION AND CORRUPTION. THE PRESIDENT POINTED TO THE

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RECENT EXAMPLE OF THE DISMISSAL BY A JUDGE OF THOSE PERSONS ACCUSED IN THE KIDNAPPING OF THE LATE COL. DONALD CROWLEY, FORMER AIR ATTACHE OF THE U.S. EMBASSY. THE JUDGE, WHETHER THROUGH INTIMIDATION OR CORRUPTION, REFUSED TO PERMIT ANY TESTIMONY AND CALLED NO WITNESSES. HE DISMISSED THE CASE FOR LACK OF EVIDENCE AND ORDERED THE RELEASE OF THE PRISONERS. THE JUDGE HIMSELF IS THE NEPHEW OF THE PRESIDENT OF THE SENATE. AMONG THE ACCUSED ARE DANGEROUS MEN AND KNOWN CRIMINALS WHOM THE POLICE ARE DETERMINED NOT TO RELEASE. IT IS VERY DIFFICULT TO ENFORCE THE RIGHT OF HABEAS CORPUS IN SUCH CASES, AND THIS LEADS TO THE CHARGES OF THE DENIAL OF HUMAN RIGHTS IN THE DOMINICAN REPUBLIC.

11. HOLT THANKED THE PRESIDENT FOR A MOST LUCID AND FRANK DESCRIPTION OF THE PROBLEMS EXISTING TODAY IN HIS COUNTRY. THE PRESIDENT REPLIED HE HAD SPOKEN WITH COMPLETE AND TOTAL FRANKNESS IN DESCRIBING THE SITUATION AS HE SAW IT. HE HAD ALSO SPOKEN IN THE CONFIDENCE WHICH HOLT HAD INVITED. HOLD ASSURED HIM THAT HIS CONFIDENCE WOULD BE RESPECTED. GP-3.
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